

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
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Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) 1-1-04 To (mo./yr.) 12-31-04
 2. DOGM File Number (Mine No): 5550623
 3. Mine Name: Lucero Red - North
 4. Mineral(s) Mined (or permitted to mine): Sandstone
 5. Type of mine: Surface Mine or Underground Mine
 6. Legal Description (Location of Lands Affected):
 ___ 1/4, ___ 1/4, ___ 1/4, Section 13, Township 29S, Range 4E
 ___ 1/4, ___ 1/4, ___ 1/4, Section ____, Township ____, Range ____
 ___ 1/4, ___ 1/4, ___ 1/4, Section ____, Township ____, Range ____
 7. Name of Operator or Company: Quality Building Stone, Inc.
 8. Permanent Street Address: 993. 14730 W.
 City, State, Zip: Bluffdale, Utah 84065
 Phone: (801) 255-2911 Fax: _____
 9. Company Representative (or designated operator):
 Name: Weston Hansen
 Title: Production Manager
 Business Address: 993. 14730 W.
 City, State, Zip: Bluffdale, Utah 84065
 Phone: (801) 255-2911 Fax: _____
- Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was there any mine related activity during the past year? Yes No
2. If no - what was the last year of activity? 2003
3. If yes - how much ore or mineral was mined? None

Reviewed
2/19/05
PBB

Average discrepancy
noted.

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4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.

- None -

5. How much **additional acreage** was disturbed during the past year? - None -

6. How much acreage was **reclaimed** during the past year? ^{approx} 2 acres

7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.

Bulldozing, clearing of blocks/rocks.

8. What is the **total** disturbed acreage of entire project at years end? ^{approx} 2 acres

9. Briefly summarize any mining and/or reclamation plans for the upcoming year.

Mining as per market conditions for this rock.

NOTE: Section III., "Additional Information" applies only to **large mining operations**.

III. Additional Information - R647-4-121.2 and .3

1. **The operator shall include an updated map depicting surface disturbance and reclamation performed during the year, prepared in accordance with Rule R647-4-105.**
2. The operator shall keep and maintain timely records relating to his performance under the Act, and shall make these records available to the Division upon request.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

Name (Typed or Print): Weston Hansen

Title of Operator: Production Manager

Signature of Operator: Weston Hansen

Date: 2-10-05